March 04, 2015
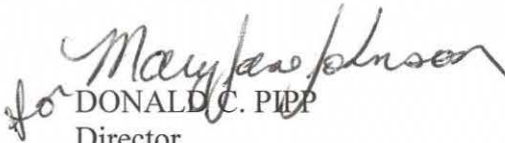
MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Proposed Defense Logistics Management Standards (DLMS) Change (PDC) 1149, Revise DLMS 947I Inventory Adjustment for use of Ownership Code with Ammunition Systems (Optional for non-Ammunition Systems); and Clarify MILSTRAP/DLMS use of Ownership, Purpose and Supply Condition Codes in Dual Inventory Adjustment (Supply/MILSTRAP)

We are forwarding the attached proposed change to DLM 4000.25, Defense Logistics Management Standards, and DLM 4000.25-2, Military Standard Transaction Reporting and Accountability Procedures (MILSTRAP), for evaluation and submission of a single coordinated DOD Component position. It is the responsibility of the Component Supply PRC representative to ensure full coordination of the proposal within your Component.

Request you review the attached proposed change and provide your comments/ concurrence to Defense Logistics Management Standards Office (DLMSO) not later than **30** days from the date of this memorandum. If nonconcurrence is provided, please provide an alternate method to meet the requirement being addressed.

Addressees may direct questions to Ms. Mary Jane Johnson, (703) 767-0677; DSN 427-0677 or email: Mary.Jane.Johnson@dla.mil. Others must contact their designated Supply PRC representative available at https://www2.dla.mil/j-6/dlmso/CertAccess/SvcPointsPOC/allpoc.asp.

for DONALD C. PIPP
Director
Defense Logistics Management
Standards Office

Attachment
As stated

cc:
ODASD (SCI)
Joint Physical Inventory Working Group (JPIWG)

ATTACHMENT TO PDC 1149

Revise DLMS 947I Inventory Adjustment to allow for use of Ownership Code with Ammunition Systems (Optional for others); and Clarify MILSTRAP/DLMS use of Ownership, Purpose and Supply Condition Codes in Dual Inventory Adjustment (Supply)

1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION:

    a. <u>Technical POC</u>: AFMC AFLCMC/HIAM, DSN 596-4108

    b. <u>Functional POC</u>: AFMC AFLCMC/HIAM, DSN 596-4103

2. FUNCTIONAL AREA:

    a. <u>Primary/Secondary Functional Area</u>: Supply

    b. <u>Primary/Secondary Functional Processes</u>: Inventory Adjustment –Supply Condition Code Change

3. REFERENCES:

    a. <u>DLM 4000.25-2</u>, Military Standard Transaction Reporting and Accountability Procedures (MILSTRAP)

    b. <u>DLM 4000.25</u>, Defense Logistics Management Standards, Volume 2, Supply Standards and Procedures

4. REQUESTED CHANGE(S):

    a. <u>Brief Overview of Change</u>:

        (1) Air Force proposes requiring use of the ownership code with DLMS 947I Inventory Adjustment for Supply Condition Code Change (947I with 2/W1901/0200 Quantity or Status Adjustment Reason Code AC) for ammunition items. Ownership code in the DLMS 947I/Document Identifier Code (DIC) DAC is proposed as a DLMS enhancement required for use in Service ammunition systems and for optional use by trading partner agreement for other than Service ammunition systems. The requirement will be addressed in the DLMS notes for the enhancement; it is up to the trading partners to implement.

        (2) The DOD MILSTRAP Administrator identifies revision needed to correct MILSTRAP (reference 3.a.) DIC DAC/DAD format to support existing MILSTRAP Chapter 5, paragraph C5.1.3 requirement that "Changes between ownership codes will not be made by an adjustment action. Process appropriate issue and receipt transactions to make the necessary accounting actions." Corresponding requirement is in DLM 4000.25, Volume 2, Chapter 7 (reference 3.b.). Corresponding updates are provided for 947I DLMS Notes for use of ownership code, purpose code, and supply condition code with dual inventory adjustments.

b. **Background:**

(1) **Air Force proposal:** The ownership code provides a means of segmenting inventory balances, accounted for in inventory control records of a Military Service/DLA, but which are owned by others. The Air Force needs visibility of the ownership code in the 947I Inventory Adjustment for Supply Condition Code Change transaction for munitions items. Air Force identifies this as an Inter-Service requirement for munition items. The MILSTRAP Administrator notes the ownership code in 947I/DAC supply condition code change will be an optional DLMS enhancement for other than Service amunitions systems.

(2) **MILSTRAP Administrator updates to correct DAC/DAD format and corresponding DLMS 947I:** The current MILSTRAP Appendix 3.8 format for legacy DIC DAC and DAD provides for 'From' and 'To' ownership/purpose code data fields. However, neither DAC nor DAD (Inventory Adjustments – Dual, Supply Condition Code and Purpose Code respectively) is authorized for use to change ownership code. Therefore, the format requires correction to clearly show that only supply condition or purpose code, may be changed with the DAC and DAD inventory adjustment transactions respectively. Since the ownership and purpose codes traditionally shared a data field in legacy transactions, it appears that that language was carried through even though the DAD was only intended for purpose code changes. In accordance with MILSTRAP (and corresponding DLMS procedure/transaction), the legacy DIC DAC can be used to change supply condition code, and legacy DIC DAD can change purpose code only. An ownership code change is specifically prohibited from being done with an Inventory Adjustment (with exception of the Single Manager for Conventional Ammunition (SMCA) Payback process, (which uses DIC DAS). MILSTRAP and DLMS procedures require ownership changes be made through the appropriate issue and receipt transactions. The two related excerpts from DLM 4000.25-2. MILSTRAP, Chapter 5 provide clarification:

"C5.1.3. Changes **between ownership codes, from purpose code to ownership code, or from ownership code to purpose code will not be made by an adjustment action**. **Process appropriate issue and receipt transactions to make the necessary accounting actions.** An exception to this rule is the use of the dual Inventory Adjustment Transaction, DIC DAS, and corresponding single adjustments, D8S/D9S, to effect ownership gain/loss under the SMCA concept per section C5.3."

" C5.4. PURPOSE TRANSFERS. Based on authorized programs, materiel may be reserved for specific purposes and retained on inventory control records until requisitioned. To effect the transfer of assets between purpose codes, the single inventory adjustment transactions, DICs D8D and D9D (Appendix AP3.4), or the dual inventory adjustment transaction, DIC DAD (Appendix AP3.8) will be processed against the inventory control records."

c. **Requested Change in Detail:**

(1) For the Air Force proposal, revise DAAS mapping to allow the ownership code to be translated from record position (rp) 70 from the MILSTRAP legacy DIC DAC transaction into the corresponding DLMS 947I Accredited Standards Committee (ASC) X12 and extensible markup language (XML) formats. Document that the existing ownership code can be entered in the legacy DAC format, rp 70, for munitions items. Allow use of ownership code with

DLMS 947I Inventory Adjustment Supply Condition Code Change (legacy DAC functionality) as an information data element, not a data element that is being changed by the 947I/DAC transaction. Make ownership code visible for the DLMS 947I X12 and XML formats. This proposed change requires that Service storage activities/depots, which store munitions, include ownership code in DLMS 947I Inventory Adjustment for dual supply condition code change (legacy DAC functionality). The DLMS 947I already contains the ownership code data element in 2/LQ/1000 segment.

          (a) This change is proposed as an <u>optional DLMS enhancement for non-ammunition systems</u> that may be implemented by trading partner agreement.

          (b) This change is proposed as a <u>required DLMS enhancement for ammunition systems</u> and must be implemented by trading partner agreement. Affected ammunition systems include, but may not be limited to:

               1. Air Force Combat Ammunition System (CAS) (Ogden/Warner Robins Air Logistics Center

               2. Marine Corps Ordnance Information System – Marine Corps (OIS-M);

               3. Naval Operational Logistics Support Center (NOLSC) Ordnance Information Systems (OIS);

               4. Army Logistics Modernization Program (LMP) Joint Munitions and Lethality Command (JM&LC). As the Single Manager for Conventional Ammunition (SMCA), Army LMP JM&LC manages conventional ammunition for all Services.

          (2) Update the MILSTRAP legacy DIC DAC/DAD format to correct information regarding the ownership/purpose code data elements. Only the alphabetic purpose code would have both a From and To code; the numeric ownership code would not have From/To based on policy requiring use of issue and receipt transactions to change ownership. Revise the corresponding DLMS 947I dual inventory adjustments for clarity on use of ownership, purpose and supply condition codes with dual inventory adjustments.

      d. **<u>Revisions to DLM 4000.25 Manuals</u>:**

          (1) Revise DLMS 947I Implementation Convention (IC) as shown in Enclosure 1.

          (2) Revise MILSTRAP, Appendix 3.8, Inventory Adjustment – Dual (Condition/ Purpose Transfer) (DAC/DAD), as shown in Enclosure 2.

5. REASON FOR CHANGE: Air Force proposes use of ownership code in the Inventory Adjustment transaction for Supply Condition Code change (DLMS 947I/legacy DIC DAC), for DOD ammunition systems, to provide visibility of ownership code in that transaction for ammunition. This visibility is provided as an information data element, not a data element that is being changed

6. ADVANTAGES AND DISADVANTAGES:

    a. <u>Advantages</u>:

        (1) Air Force proposal provides visibility of ownership code in Inventory Adjustment for Supply Condition Code Change, for Service ammunition systems and facilitates Air Force DLMS implementation.

        (2) DLMSO is correcting deficiency in current MILSTRAP legacy DAC/DAD format guidance to clarify use of codes.

    b. <u>Disadvantages</u>: None

7. ADDITIONAL COMMENTS TO CONSIDER: DLA Distribution Centers do not store munitions items; accordingly, this change does not impact DLA Distribution Standard System (DSS) except as clarification of correct procedures for use of the 947I/DAC and an optional DLMS enhancement for 947I/DAC that is available for other uses.

<mark>**8. ESTIMATED TIME LINE/IMPLEMENTATION TARGET:** Request Services Supply PRC representatives identify their ammunition systems implementation timeline in response to this PDC.</mark>

9. IMPACT:

    a. <u>New DLMS Data Elements</u>: None

    b. <u>Changes to DLMS Data Elements</u>: None

    c. <u>Automated Information Systems (AIS)</u>: Impacts Service ammunitions systems, as a required DLMS enhancement. Optional DLMS enhancement for non-ammunition systems.

    d. <u>DLA Transaction Services</u>: Update DAAS maps to allow mapping of MILSTRAP legacy DIC DAC, record position 70 to DLMS 947I for dual inventory adjustment (2/W1916/0200 code DU), with 2/W1901/0200 code AC (legacy DIC DAC functionality), 2/LQ01/1000, qualifier A1.

    e. <u>Non-DLM 4000.25 Series Publications</u>: None identified. The Services may need to update their Service level publications if needed. DLA Distribution may need to update guidance for appropriate use of the 947I/DAC.

ENCLOSURE 1 TO PDC 1149

DLMS 947I Change Table

#	Location	DS 947I Inventory Adjustment	Reason
1	DLMS Introductory Notes	<u>Add PDC 1149 to introductory note 6:</u> *- PDC 1149, Revise DLMS 947I Inventory Adjustment to allow for use of Ownership Code; Clarify MILSTRAP/DLMS use of Ownership, Purpose and Supply Condition Codes in Dual Inventory Adjustment (Supply)*	Identifies Changes included in the IC.
2	2/LQ01/1000	<u>Revise DLMS Notes for existing qualifiers A1 and RD</u>: A1 Ownership Code **DLMS Note:** *1. When used with dual **inventory** adjustments (2/W1916/0200 code DU), **with 2/W1901/0200 code AG (legacy DIC DAS),** this code represents the new (TO) ownership code.* ***2. When used with 2/W1901/0200 code AC (legacy DIC DAC), for ammunitions systems only, the existing ownership code must be entered for ammunition items. This is not a From/To ownership code since ownership code cannot be changed by W1901 code AC transaction. Service ammunition systems must enter the existing numeric ownership code for ammunition items for W1901 code AC transaction. For other than Service ammunition systems, this is an optional DLMS enhancement authorized for use by trading partner agreement.*** RD Property Ownership Type Code **DLMS Note:** *Use only with dual **inventory** adjustments (2/W1916/0200 code DU) **with 2/W1901/0200 code AG (legacy DIC DAS)**. Use to identify the old (FROM) ownership code.*	To clarify use of From and to ownership consistent with MILSTRAP/DLMS policy.
3	2/LQ01/1000	<u>Revise DLMS Notes for existing qualifiers 83 and BG</u>: 83 Supply Condition Code **DLMS Note:** *When used with dual **inventory** adjustment~~s~~ (2/W1916/0200 code DU), **with 2/W1901/0200 code AC (legacy DIC DAC),** this code represents the new (TO) supply condition code.* BG Condition **DLMS Note:** *Use only with dual **inventory** adjustments (2/W1916/0200 code DU) **with 2/W1901/0200 code AC (legacy DIC DAC)**. Use to identify the old (FROM) supply condition code.*	To clarify use of From and to supply condition code consistent with MILSTRAP/DLMS policy.
4	2/LQ01/1000	<u>Revise DLMS Notes for existing qualifiers 99 and RE</u>: 99 Purpose Code **DLMS Note:** *When used with dual **inventory** adjustment~~s~~ (2/W1916/0200 code DU), **with 2/W1901/0200 code AD (legacy DIC DAD),** this code represents the new (TO) purpose code. **Purpose code (2/LQ02/0200) is alphabetic.*** RE Property Type Code **DLMS Note:** *Use only with dual **inventory** adjustment~~s~~ (2/W1916/0200 code DU) **with 2/W1901/0200 code AD (legacy DIC DAD)**. Use to identify the old (FROM) purpose code. **Purpose code (2/LQ02/0200) is alphabetic.****	To clarify use of From and to purpose code consistent with MILSTRAP/ DLMS policy.

Changes identified by *red bold italics* or ~~double~~ strikethrough

AP3.8 APPENDIX 3.8

INVENTORY ADJUSTMENT – DUAL (CONDITION/PURPOSE TRANSFER)

FIELD LEGEND	RECORD POSITION(S)	ENTRY AND INSTRUCTIONS
Document Identifier Code	1-3	Enter DIC DAC or DAD, as appropriate.
Routing Identifier Code (TO)	4-6	Enter RIC of the Inventory Control Point to which this transaction is being forwarded.
Blank	7	Leave blank.
Stock or Part Number	8-22	Enter stock or part number of item being adjusted.
Unit of Issue	23-24	Enter UI of item.
Quantity	25-29	Enter quantity being adjusted, preceding significant digits with zeros.[1/2]
Document Number	30-43	For reclassification of previously suspended receipts, enter document number under which the materiel originally was received. For other adjustments, enter appropriate document number.[3]
Suffix	44	For reclassification of previously suspended receipts, enter suffix code under which the materiel was originally received. For other adjustments, enter consecutive alpha codes A through Z when assignment of suffix codes is necessary.[4]

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[1]See Appendix AP3 - Formats Introduction, Paragraph AP3.3.1.

[2]See Appendix AP3 - Formats Introduction, Paragraph AP3.3.2.

[3] For intra-DLA use only, if DAC is applicable to Supply Condition Code (SCC) L, enter PIIN in rp 30-42.
[4]See Appendix AP3 - Formats Introduction, Paragraph AP3.3.3.

FIELD LEGEND	RECORD POSITION(S)	ENTRY AND INSTRUCTIONS
Routing Identifier Code (Losing)	45-47	For intra-Component, enter code prescribed by the Component.[5] For inter-Component, leave blank.
Multiuse	48-50	For intra-Component, enter data prescribed by the Component.[5] For inter-Component use, leave blank.
Blank	51	Leave blank.
Fund	52-53	For intra-Component use, enter appropriate code. For inter-Component use, leave blank.
Distribution	54-56	Enter distribution code if stocks are segregated and maintained by codes reflected in the distribution field; otherwise, leave blank.
Project	57-59	Enter project code if stocks are segregated and maintained by codes reflected in the project field; otherwise, leave blank.
Multiuse	60-64	For intra-Component use, enter data prescribed by the Component. For inter- Component use, leave blank.
~~Ownership/~~Purpose[6] (TO)	65	*For DIC DAD, e*nter appropriate *alpha* TO ~~ownership~~-purpose code~~, if applicable~~.
Supply Condition (TO)	66	*For DIC DAC, e*nter the TO supply condition code.
Routing Identifier Code (Storage Activity)	67-69	Enter RIC of the storage activity at which item is stored.
Ownership/Purpose[7] (Purpose FROM)	70	*For DIC DAD, e*nter appropriate *alpha* FROM ~~ownership/~~purpose code~~, if applicable~~. *For DIC DAC for ammunitions systems, the existing numeric ownership code may be entered. This is not a From/TO ownership code since ownership code cannot be changed by a DAC transaction.[8]*

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[5] For intra-DLA use only, if DAC is applicable to SCC L, enter the intra-DLA Contract Line Item Number in rp 45-50.
[6] *Cannot change ownership code with DIC DAC or DAD. Must use appropriate issue and receipt transactions to change ownership.*
[7] *Ibid.*
[8] *Air Force enters the existing numeric ownership code in rp 70 for the DAC transaction. Refer to PDC 1149.*

FIELD LEGEND	POSITION(S)	ENTRY AND INSTRUCTIONS
Supply Condition (FROM)	71	***For DIC DAC, e***nter the FROM supply condition code.
Management	72	Enter appropriate management code; otherwise, leave blank.
Day of Year	73-75	Enter the ordinal day of the calendar year that the adjustment is processed by the initiating activity.
Multiuse	76-80	For intra-Component use, enter data prescribed by the Component. For inter- Component use, leave blank.

For Navy Commercial Asset Visibility-Organic Repairables Module, the following data is entered in the rp 76-80 multi-use field:[9]

Materiel Control Code	76	Navy Commercial Asset Visibility-Organic Repairables Module system enters the Materiel Control Code.
Estimated Completion Date	77-80	Navy Commercial Asset Visibility-Organic Repairables Module system enters the estimated completion date in YDDD format.

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[9] Refer to ADC 461